

CITY OF SAN DIEGO
OFFICE OF THE INDEPENDENT BUDGET ANALYST

SNAPSHOT OF REPORTS AND ACTIVITIES
November 2008

Highlights of Major Reports Issued:

“Preliminary IBA Review of Mayor's Proposed FY 2009 Budget Adjustments”

[Report No. 08-114](#) (11/10/08) (PDF: 77K)

[Attachment 1](#) (11/10/08) (PDF: 13K)

[Attachment 2](#) (11/10/08) (PDF: 12K)

[Attachment 3](#) (11/10/08) (PDF: 12K)

This report was provided as background for the November 12th hearing on the Mayor's Proposed Budget Adjustments for FY 2009. Current year budget adjustments are necessary to close an estimated \$31.1 million budget shortfall. Many of the budget changes are recommended for continuation through FY 2010 to mitigate a projected deficit for that year as well. Some of the more significant service and budget impacts that the Mayor proposed included closure of seven branch libraries, closure of nine recreation centers, reduction in police and fire academies and recruitment, and rolling reduction of two fire companies. Our report raised a series of questions and issues that warranted further public discussion, and identified alternative resources for City staff to explore to help mitigate service reductions.

“Recommended Actions on FY 2009 Budget Adjustment Proposal”

[Report No. 08-118](#) (11/17/08) (PDF: 62K)

[Attachment](#) (11/17/08) (PDF: 8K)

This report presented the IBA's recommendations with respect to the proposed budget and service reductions for FY 2009. We recommended that identified resources be used only to defer closure of the seven branch libraries, nine recreation centers and one gym in FY 2009 until a comprehensive plan is brought forward to Council. We emphasized that the deferral of library and recreation center closures should be considered a temporary measure, intended only to keep these facilities open until a more deliberate and comprehensive plan for facility closures can be developed and presented to Council. This plan should clearly lay out the facility closures and service reductions that will be needed to solve projected future budget deficits, in a manner that is consistent with community priorities. It was also recommended that the “rolling brown outs” for Fire not be assumed for continuation beyond FY 2009; and the Fire and Policy Academy class reductions not be assumed for continuation past FY 2010. We recommended that all other reductions remain as proposed.

“Mills Act Program Reforms and Cost Recovery Fees”

[Report No. 08-119](#) (11/21/08) (PDF: 47K)

On Monday, November 24, 2008 the City Council was asked to approve amendments to the Land Development Code and Council Policy 700-46 “Mills Act Agreements for Preservation of Historic Property,” to reform the City’s Mills Act Program. The Mills Act was enacted in 1972 by the State of California to enable local governments to enter into contracts with owners of qualified historic properties who actively participate in the restoration and maintenance of their historic properties while receiving property tax relief. Each local government establishes their own criteria and determines how many contracts they will allow in their jurisdiction.

Sensible modifications to the Mills Act program have been proposed, including:

- Requiring a formal application process with a set deadline
- Establishing an inspection schedule for monitoring Mills Act properties
- Establishing a fiscal threshold for tax revenue reduction to the General Fund, and
- Establishing a cost-recovery fee

This report provided comments, additional information, and recommendations for City Council consideration.

“Information Related to Recommended Contracting Processes for Actuarial Services”

[Report No. 08-120](#) (11/24/08) (PDF: 44K)

At the Audit Committee meeting on October 6, 2008, Internal Auditor staff presented their review of internal control remediations that had been identified for the San Diego City Employees Retirement System (SDCERS). The issue of appropriate practices for contracting for actuarial services was discussed as it related to a Kroll Report recommendation for SDCERS. The Audit Committee requested that the IBA research best practices for contracting actuarial services. This report provides the results of that research.

Other Reports Issued This Month:

[Report No. 08-121](#) (11/26/08) (PDF: 25K)

Agreement for As-Needed Storm Water Engineering and Consulting Services

[Report No. 08-117](#) (11/14/08) (PDF: 31K)

[Attachment A](#) (11/14/08) (PDF: 14K)

Neighborhood Stabilization Program (NSP) Plan Proposal

[Report No. 08-116](#) (11/14/08) (PDF: 28K)

Beach Area Neighborhood Prosecution Initiatives Fund

[Report No. 08-115](#) (11/14/08) (PDF: 29K)

[Attachment 1](#) (11/14/08) (PDF: 219K)

[Attachment 2](#) (10/30/08) (PDF: 297K)

Extension of Emergency Medical Services (EMS) Agreement